

AR10

RIPLEY INTERNATIONAL LIMITED
and Subsidiary Companies

Museum Locations

Ripley's "Believe It Or Not!" Museums

Blackpool, England

Chicago, Illinois

Estes Park, Colorado

Gatlinburg, Tennessee

Niagara Falls, Ontario

St. Augustine, Florida

San Francisco, California

Wax Museums

Atlantic City, New Jersey

Copenhagen, Denmark

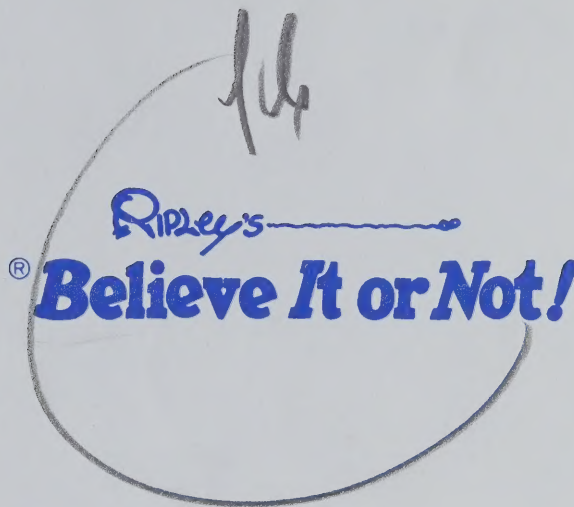
Niagara Falls, Ontario

St. Petersburg, Florida

Dr. Gardner's Museums of Witchcraft & Magic

Gatlinburg, Tennessee

San Francisco, California



RIPLEY INTERNATIONAL
LIMITED
and Subsidiary Companies

Interim Report for the
Six Month Period Ended
April 30, 1974

To the Shareholders:

We are pleased to present the Company's Consolidated Statements of Earnings and Source and Application of Funds for the twelve month and six month periods ended April 30, 1974.

The figures for the first six months of our fiscal year, as in previous years, show a loss. The loss this year is substantially larger than that reported for the same period in previous years. The increased loss reflects: the operation of four additional museums during slow winter months; reduced attendance at the museums during the height of public uncertainty relating to the gas shortage; increased cost of borrowed money; and increased depreciation and amortization charges resulting from the purchase of the Louis Tussaud's group of companies in March, 1973.

During April and May there was an upturn in the number of automobiles entering the State of Florida as well as an increase in the number of reservations being made for the summer season at Central Florida hotels and motels. Our museums in Florida as well as our museums in Tennessee, have been favourably affected by this upturn in tourism. Our other museums outside of Florida and Tennessee were not significantly affected by gasoline shortages and are operating satisfactorily.

Your Company's newest Louis Tussaud's Wax Museum located in Copenhagen, Denmark, opened June 7th with excellent press reviews and public response.

Your Management anticipates that the earnings for the current fiscal year will approximate those of 1973.

T. Alec Rigby,
President

June 12, 1974

RIPLEY INTERNATIONAL LIMITED and Subsidiary Companies

Consolidated Statements of Earnings (unaudited)

*For the six and twelve month periods ended April 30, 1974
with comparative figures for the same periods of the prior year*

Income from museum operations, royalties and
other sources
Operating costs and expenses other than those noted below

Deduct:
Bank loan and other interest
Depreciation and amortization

Earnings (loss) before income taxes
Income taxes (recovery)
Earnings (loss) for the period

Consolidated Statement of Source and Application of Funds (unaudited)

*For the six and twelve month periods ended April 30, 1974
with comparative figures for the same periods of the prior year*

Funds were provided from:
Operations—
Earnings (loss) for the period
Add charges not requiring an outlay of funds
in the period:
Depreciation and amortization
Deferred income taxes

Other sources—
Issue of share capital
Bank borrowings, net of current maturities
Total funds provided
Funds were applied to:
Purchase of fixed assets and deferred expenses
Decrease in non-current portion of long-term debt
Total funds applied
Excess of funds applied over funds provided resulting in
a decrease in working capital of
Working capital, beginning of period
Working capital, end of the period

12 Months to April 30		6 Months to April 30	
1974	1973	1974	1973
\$5,286,617	\$3,447,912	\$1,171,828	\$1,043,095
3,643,088	2,306,346	1,343,544	906,512
<u>1,643,529</u>	<u>1,141,566</u>	<u>(171,716)</u>	<u>136,583</u>
357,151	90,926	169,904	47,468
559,898	220,711	240,262	125,943
<u>917,049</u>	<u>311,637</u>	<u>410,166</u>	<u>173,411</u>
726,480	829,929	(581,882)	(36,828)
364,225	368,133	(240,093)	(18,971)
<u>\$ 362,255</u>	<u>\$ 461,796</u>	<u>\$ (341,789)</u>	<u>\$ (17,857)</u>

12 Months to April 30		6 Months to April 30	
1974	1973	1974	1973
\$ 362,255	\$ 461,796	\$ (341,789)	\$ (17,857)
559,898	220,711	240,262	125,943
130,303	74,100	3,906	—
<u>1,052,456</u>	<u>756,607</u>	<u>(97,621)</u>	<u>108,086</u>
110,000		110,000	
	1,929,374		1,954,669
<u>1,162,456</u>	<u>2,685,981</u>	<u>12,379</u>	<u>2,062,755</u>
1,063,886	2,819,752	335,558	2,111,038
682,272		291,622	111,060
<u>1,746,158</u>	<u>2,819,752</u>	<u>627,180</u>	<u>2,222,098</u>
(583,702)	(133,771)	(614,801)	(159,343)
127,504	261,275	158,603	286,847
<u>\$ (456,198)</u>	<u>\$ 127,504</u>	<u>\$ (456,198)</u>	<u>\$ 127,504</u>

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